

Decision No. 35436**ORIGINAL**

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of the
SOUTHERN COUNTIES GAS COMPANY OF CALI-
FORNIA for an ex parte order authorizing
it to enter into proposed contracts with
the United States of America for the sale
of gas at housing projects in the City of
Wilmington (Identification No. Cal. 4103),
and Harbor City (Identification No. Cal.
4104), Los Angeles County, California.

Application No. 25009

BY THE COMMISSION:

OPINION AND ORDER

In this application Southern Counties Gas Company of California, hereinafter sometimes referred to as the utility, requests authority to enter into two written agreements with the United States of America, hereinafter sometimes referred to as the Government, relating to the sale and delivery of firm natural gas as shall, during the terms of the agreement, be required for general use of the Government's tenants in: (a) a housing development located in the City of Wilmington, Los Angeles County (Identification No. Cal. 4103), and (b) a housing development located at Harbor City, Los Angeles County (Identification No. Cal. 4104). Copies of the proposed agreements marked Exhibit "A" and Exhibit "B," relative to the housing development at Wilmington and at Harbor City respectively, are attached to and made a part of the application.

Some of the more important features and conditions of the aforesaid agreements, which are identical except for those matters relating to the locations of the two housing developments, may be here set forth.

The utility agrees to supply natural gas with a heating value in excess of 1,000 British Thermal Units per standard cubic foot for the requirements of

the developments and of the tenants of the developments, from the date of initial delivery to the expiration of the proposed agreements, for cooking, water heating, and space heating, if and when available under War Production Board Limitation Order L-31. The utility further agrees that it shall without expense to the Government, provide, operate and maintain all facilities for supplying and metering the gas to the points of deliveries.

The Government agrees to purchase and pay for the gas furnished by the utility through single or master meter installations in accordance with the terms of the tariffs set forth hereinafter. Furthermore, the agreements provide that the Government shall furnish, construct, own and operate the developments' complete and entire gas distribution systems from the points of deliveries.

The special rates to be paid and the special conditions relating to said rates are set forth and made a part of Exhibit "A" and Exhibit "B." The rate portion provides as follows:

RATE

The consumer hereunder will qualify for service under Rate "Y" or Rate "Z" hereof as provided in Special Condition (1).

<u>Fixed Charge: (Aggregate of (A) and (B) hereof)</u>	<u>Per Month</u>	
(A) Per \$100.00 of adjusted cost of main extension and/or reinforcement necessary to serve project		\$0.75
(B) First 250 dwelling units or less		37.50
All over 250 dwelling units, per dwelling unit		0.15
 <u>Commodity Charge: (To be added to fixed charge)</u>	<u>Rate "Y"</u>	<u>Rate "Z"</u>
	<u>Per Meter</u>	<u>Per Month</u>
First 250,000 cu. ft., per 100 cu. ft.	4.25¢	4.00¢
All over 250,000 cu. ft., per 100 cu. ft.	3.85¢	3.65¢

Minimum Charge:

The monthly minimum charge shall be the fixed charge herein set forth.

The terms of the agreements are for a period of one year from the execution thereof and in the absence of notice of intention to terminate, served on either party by the other, at least thirty (30) days prior to the expiration of the agreements, shall continue for another year and from year to year thereafter until terminated by notice as further outlined in the agreements.

It is noted, however, that reference to this Commission's jurisdiction has been omitted from the agreements, and the Commission at this time calls to the attention of both parties to the agreements the fact that each may expect the Commission to continue to exercise its jurisdiction over the rates, conditions, and terms of service rendered thereunder in accordance with the statutes.

The Commission having considered the request of Applicant, and it being of the opinion that the application should be granted, that a public hearing in the matter is not necessary, and good cause appearing, therefore,

IT IS ORDERED that Southern Counties Gas Company of California is hereby authorized to enter into those certain agreements with the United States of America attached to this application and marked Exhibit "A" and Exhibit "B" and to render natural gas service to the housing developments designated as (Identification No. Cal. 4103) and (Identification No. Cal. 4104) at the rates and under the terms and conditions set forth in said agreements.

Authority herein granted shall become effective as of the date hereof.

Dated at San Francisco, California, this 2nd day of June 1942.

Justus F. Calver
Ray L. Rice
Richard Jackson

(Commissioners)